FHE XX
#365.

the Foreign Trader, of a sudden transition from absolute prohibition to unlimited intercourse, and vice versâ. This evil has been so severely felt, and alternately complained of, by both Parties, that it is unnecessary to dwell upon it in argument, or to illustrate it by any specific Statement, on the present occasion.

2. The abuse and fraud inseparable from a system of quarterly leavings, regulating this transition.

3. The prejudice to the general commerce and navigation of the

the Country, and the risk of
derangement in the foreign
Exchanges, incident to a System
of habitual prohibition, and
occasional free intercourse, in
a Trade so extensive and im-
portant as that of Corn.
4th That prohibition, unmiti-
gated up to a very high
price, aggravates the pressure
of occasional scarcity to the
Consumer, and of occasional
superabundance to the Grower,
of Corn. At one period, it
gives an unnecessarily large
profit to the foreign Grower,
at the expense of the English
Consumer. At another period,
it

After all that has been said and done in Parliament during the two last years, I assume as admitted, that the existing Corn Laws must be taken into consideration, with a view to their being altered, in the ensuing Session.

The question, which grows out of this admission, is not so much what, abstractedly, would be the most perfect system applicable to the Trade in foreign Corn, as what, in the actual state

and

and circumstances of this Country, is the best mode of remedying the defects and evils of the present Laws, with the least derangement of any of the great Interests affected by those Laws, and, as far as possible, with the least degree of violence to the feelings of any particular Class, and of excitement to the opposite feelings of any other Class of the Community.

The principal objections of a general nature taken to the present Corn Laws are—

1st. The inconvenience, both to the Home Grower and to

it has a tendency to injure the home Grower, by creating the depression against which it is intended as a preventive. Whilst the high price of a scarcity draws increased Capitals to Agriculture, and stimulates to greater exertions to produce more Corn, the prohibitory price is considered as a sort of guarantee up to the limit at which it ceases to operate. The consequence is an increased quantity produced at an increased expense. Under these circumstances, should the Harvest be one of more than ordinary abundance, a

glut

glut ensues, for which prohibition
affords no remedy. This is the
aberration of a prohibitory
system, operating upon an in-
creasing consumption, in a
country, of which the ordinary
average produce barely keeps pace
with that consumption. Such
a system introduces an unnecessary
element of hazard both into
Agriculture and Trade. Whilst
it sports with the Capital of
the Farmer, and of the Merchant,
it promotes that unsteadiness
of price to the Consumer which,
(however in some degree una-
voidable from natural causes),
it ought to be a primary

consideration, for the interest of all parties, as much as possible to counteract.

5.th That the present system, if persevered in, will leave us without the resource of an adequate supply from foreign Countries, in the event of any considerable failure in our own Harvest; and more especially of two successive years of failure: that foreigners will not continue to grow Corn for the mere chance of our Ports being ^ casually opened, and that already the growth has been considerably curtailed.

6.th

6th That prohibition, up to a scarcity price, is calculated to put us off our guard as to any deficiency in the home growth, until it may be too late to remedy it. If the price, at which prohibition ceases, be at least double the price of the Continent, it is obvious that the Home Grower, from the apprehension of the effects of an inundation from abroad, will altogether exhaust his Stock before the Markets rise to the admission price. The Country would be then, all at once, thrown on the foreign Stocks for subsistence. They may be inadequate, or,

if

if not already in bond here, may not arrive in time, or they may be interfered with by the Policy of foreign States. It is not probable that the Stocks in bond would be very large, compared to the wants of the Country, because uncertainty whether the Ports would open or not (a contingency depending upon an Average of the six antecedent Weeks) might prevail till the last moment of the Quarter, amidst the fraudulent tricks of conflicting interests:- and the risk of holding large Stocks would be too great if the Ports should remain closed. Neither is this Evil one which hangs over

over the Consumer only. The deficiency, if existing at all, can only shew itself towards the close of the year of Consumption. It would then be declared on the 15th of August, just before Harvest. Our own forthcoming Harvest may be abundant; that of the Continent may be equally abundant; — and in that case, in the event of a deficiency however trifling, the importation from abroad would continue, without check, for the next three months. This is what happened in 1819, when the Ports remained open till December in consequence of the August average exceeding 80 Shillings, by a fraction of a Penny.

7.th That the prohibition of foreign Corn is not only a check to the Export of our manufactured Goods, as depriving the foreigner of one principal means of paying for them; but that it operates as a large direct bounty in favour of the Manufactures of other States, — a bounty not to be measured by the increased price of Corn here, so much as by the depressed price abroad: — That we are holding out so large a premium to the manufacturing Capital of other Countries, that

French

much of our own trade either
be transferred abroad to share
in that advantage, or will
seek some other Employment
in this Country: and that
with the security which
property now enjoys in other
Countries; with the stability
and freedom of their Institutions
(France, the Netherlands, and
the United States, more
especially); with the increased
facilities of Intercourse and
Transfer of Capital; with the
increased knowledge which
everywhere prevails on subjects
of this nature, and the increased
interest and attention which

they

they excite; England voluntarily
chooses this time for placing
her manufacturing ascendancy
upon the issue of a trial, —
whether She can stand the
competition of foreign capital
and foreign industry, with the
Importation of Corn prohibited,
until the price here exceeds
double the average price of
France, of the Netherlands, or of
the United States. Before
We engage in this trial, it
may be well to dispose of
the following Question; —
Is the present State of this
Country, with the present

value of money and relative
state of prices, is there any
Minister who would venture
to rest upon his Ears, and
wait till the existing Law
go, I will not say quietly,
for that would be out of the
question, into Operation?
There are few, I think, who
would venture to answer this
Question in the affirmative,
even among those who are
most adverse to any alteration
in the present Law. They
are for prohibition as a
permanent System, but with a
dispensing Power, to be resorted
to occasionally, according as
circumstances may require.

If the objections which I have enumerated be well founded, they apply to the Principle of prohibition however up to a very high price, by comparison with the general average of neighbouring and rival Countries, and therefore the power of, from time to time, suspending, or modifying, that prohibition would not be an adequate, even if, in other respects, a suitable or convenient, discretion to be exercised, either by Parliament or by Government.

But in addition to the above objections, which have

been

been urged in other quarters,
against prohibition, and in
which, in substance, I concur,
I own that I have another,
of the force of which I am,
at least, equally convinced.

The two difficult
Questions of our Corn Laws
and our Currency have
frequently been discussed
together, but their relation
to one another has generally
been considered as confined to
the influence which the
contraction or expansion of
the Currency has upon the
Price of Corn. I think there

is

is a further consideration involved.

My position is this, — That, with a prohibition of Corn, up to a high scarcity Price, this Country cannot, under the present system of Banks and paper Credit, maintain, for any length of time, a metallic Currency, either at the existing, or at any other fixed Standard of Value. This would not follow from any other monopoly; but it is, almost, the necessary result of a monopoly of Bread Corn, whenever a diminished Supply, or an increased Demand, brings the monopoly into efficient operation,

by

by creating a considerable rise of price, as compared with the prices of antecedent years, if that rise be confined to this Country only.

It is acknowledged that the general price of Commodities in any old and fully settled Country, is mainly regulated and determined, when for a length of time, by the money price of the common food of that Country. This is a doctrine so generally admitted, that I do not think it necessary to establish it by any detailed proofs. Now the transactions of purchase and sale of Commodities in this Country,

are generally carried on through the medium of Paper Credit. The dealings in Corn form so large an amount of these transactions that they greatly affect all other dealings. The Grain of every description consumed in the United Kingdom cannot be less than 50 Millions of Quarters annually, of which at least one fourth is Wheat. Taking the medium price of Wheat at 60s and of all other Grain at 30s a Quarter here is a dealing to the extent of about eight Millions a Month. What other dealing bears in its Amount any comparison to

this

this? Suppose the price to be raised only ten shillings a Quarter, the amount of dealing is increased two millions a Month, or twenty four millions a year. This increase of price operates both directly and indirectly, in calling forth an increased issue of Paper Credit;— directly, in the shape of Bills of Exchange, and Discounts by Country Banks, for the increased amount of payments;— indirectly, by the Spirit of Speculation which rising prices constantly excite, and by the encouragement which they afford to Country Banks to be more liberal in their Advances. Thus a rise

of price, first produced by monopoly, creates a demand for an extension of circulating credit, which, in its turn, becomes the occasion of a further rise of price. The one and the other operating alternately as cause and effect, till every part of our circulation from that of Bills of Exchange to that of the Bank of England, is proportionably increased. × But no considerable augmentation can be made in the Amount of our circulating credit, without a diminution of its value. Hence a rise ——— in all other commodities of extensive consumption, bought and sold upon credit, (Iron, Wool, Timber &c.) speedily follows

× Note. Our Paper Circulation is like a series of concentric circles.— The outward is formed of Bills of Exchange,— the inwards of the Notes of the Bank of England. When the wants of Commerce, or the Spirit of overtrading, force out an increased Issue of circulating Credit, the outward Circle is the first to expand. Even the increased Issue begins with the wants of Government—i.e.— an increase of Bank advances— the expansion commences at the inward Circle. But in both cases the others speedily follow, so as to retain their relative proportions,— and in both cases the effects are the same.

follows the rise in the price of
Corn, and operates in the same
manner upon our circulation.
In process of time, if not checked
by some reaction, the rise
becomes general; for Labour,
being everywhere a ready money
commodity, is the slowest to
participate in it, and the
last admitted to its full
share in the altered value
of money. With a Bank
Restriction, and a most expensive
War, this rise might, as it
did, continue for several
years progressively increasing,
till it became quite general.
With Cash Payments, as used in time of Peace, it cannot
and for this plain reason: —
there is one commodity, the

price of which cannot be affected by the altered price of other commodities. This is Bullion. The consequence is, that as soon as the rise has carried the great Articles of mercantile Speculation, the import of Wheat is not prohibited, they are eagerly bought up in foreign Countries, and of course paid for in the only Commodity which has not risen in England. This importation is the more tempting as, on the one hand, the first causes of the rise continue in progressive operation at home and, on the other, there is a certainty

Pitt

that the commodity used for
Payment abroad is forthcoming
without trouble at the Bank
of England, where it is sure
to remain at the same fixed
price. This I take to be a
faithful abstract of what
occurred between the close
of the year 1823 and the
Autumn of 1825. In the
Year 1822, the Occupiers of
Land suffered most severely
from a superabundance of
Corn. The Average price of
that year for Wheat was
only 43 - 3. After the
Harvest of 1823 the price
rose to between 60 and 70 -,
whilst abroad the price of
Corn, as well as of other

Articles

Articles, continued stationary, or falling. The foreign Exchanges were turned against us from that period, and continued so [illegible] 1825.

What then occurred, — what the Country has since suffered, — I need not state. We are now able to look calmly at the extravagance to which [illegible] carried; we see uncovered the Machinery by which it was put in motion; — We have passed the Crisis, but not [illegible] some Gyl. So many [illegible] and we have yet much to

[illegible]

barrier. We have applied some
Correctives to prevent the return
of the Evil, but, if we do
nothing more, it will again
occur, and the Bank will once
more have recruited its Funds
Treasure only to feed again
a similar Spirit of Speculation -
only to be made again one of
the Instruments for disturbing
the ordinary course of Exchange,
and progressive accumulation
of Wealth, in this Country, - and
the legitimate operations of
Commerce, in every part of the
World.

To be consistent, therefore,
in our system, if we keep
our present prohibition of Corn,
we must reimpose Restriction
on [illegible] payments in the

[illegible] value of money a
Monopoly of the Corn Market
up to the price of 80/. a Quarter,
and the continuance of a great
[illegible] convertible into Coin at a fixed
Standard, are, I will venture to
say, [illegible]
of years incompatible.

[illegible] a Monopoly might
be maintained in a Country
where Paper Credit formed no
part, or but a very small one,
[illegible] An insufficient
Scarcity in such a Country
would, in the first instance at
least [illegible] the Price of it
little [illegible] only wherein
[illegible]

because

because that rise could not be made the instrument of enlarging the amount of currency. Such a rise, it is true, if considerable or long continued would produce other evils and dangers, which might affect the internal Peace or Prosperity of the Country so circumstanced, but it would not operate as it does in England, where there exist such a facility and power of rapid expansion of currency, always ready to be called forth on a call, when excited by artificial causes, and confined to this Country, by a combination equally rapid, and unavoidably disastrous.

In connexion with this

this part of the subject, I cannot
conclude myself with merely
stating my concurrence in
the objections &c. &c. &c.
set forth at the commencement
of this Paper.

Gentlemen I am Sir
Your
Fellow Citizens are sometimes termed
as Citizens of the World, giving
to no particular Country their
political attachments. These
Gentlemen have not, I fear
in this instance, the way of an invidious
Contrast between them and the
Land owners. It is impossible
to deny that the Interests of
the latter are more [illegible]
and exclusively bound up with

a soil to which they belong.
But in making this distinction,
I deny the general justice of
the attempted inference. In
England, the ultimate object of
almost every Merchant and
Manufacturer is to become
himself a Land Owner. This
an Ambition which pervades
all Nations, for many reasons;
all our Institutions tend to
create and foster it. Where
such an Ambition exists, it
necessarily keeps alive that
feeling of local attachment
which, though by others interested
with their land, cannot be
claimed as their exclusive
possession. It is a feeling,
moreover, strengthened by a

thousand other ties of education, habit, and affection, collectively almost as strong as the tie of Property itself. But do those, who deny the force of these ties, see the inference to which their denial leads? Why should the Landowner expect that a Merchant or Manufacturer in this Country will be contented with a half, or a third, of the profit upon his Capital, which he may derive from the same Capital transferred elsewhere? As a Capitalist, he knows full well that whatever raises the expense of labour has a tendency to

contract

counteract his profits. He equally knows that this may, in some degree, be counteracted by the effect of competition among those to whom his capital gives employment. That competition compelling all who live by their labour, as the necessaries of life rise in price, either to give more work for the same wages, or to accept lower wages for the same quantum of work. But in this division of the Burthen between the Labourer and the Capitalist, there are necessary limits to that share which falls upon the former. Those limits are, on the

one

one hand, the physical strength of the Labourer, and, on the other, his having already descended to the lowest food compatible with existence. I believe the Labourers of England [illegible] more hours of the day and twenty, and with more energy, than those of any other Country in Europe. From use thereof, and from other causes, their physical wants are greater than those of the Labourers of the South, and they hold an entirely different Rank in Society, and are accustomed to different habits from those of the South of Europe. When we

In contrasting, the daily money earnings of an Englishman and those of a Foreigner, in the same class of employment, as a measure of the price of labour in the respective Countries, we are not comparing similar quantities. The English Manufacturer, perhaps, obtains as much work in four and twenty hours, from the labour of one man, as the Foreign Manufacturer from that of two or three. It does not therefore necessarily follow that labour, however differently measured by the money earnings of the day, is really dearer in England

than in the Foreign Country.
In proportion, however, as from
any cause, it becomes so,
if the Workman cannot add
to the quantum of his labour,
in lieu of [illegible] in the rate
of subsistence, the difference
must fall upon the profits
of his Employer. It is clear,
therefore, that inasmuch as
Prohibition — — raises the
price of subsistence here, and
so depresses that price abroad,
it must have a tendency to
diminish — the earnings of
Labour, or the profits of Capital,
or both, in this Country. So
far as the condition of
the

the Labourer is concerned, it is a question of justice and humanity, and to those judges I leave it, without further comment. But if the profits of Capital be seriously impaired, it will seek employment in other modes, and in other Countries. Whether this transfer has already begun, and is now going on, to any extent, is a point not easy to ascertain. There are certainly symptoms from which the existence of the evil may be, and is by some, apprehended. Persons who

have

have the best means of knowing
the real State of the Cotton
Manufacture in Lancashire
State, that [illegible] to be
Real wealth embarked in it as
at present; that also the
principal Capitals have been
withdrawn; and that, for the
two or three last years it
has been carried on in a very
precarious position, by credit men,
trusting to the expedients of
Credit. The same remark
has been made, though not
in the same degree, in respect
to other branches of Manufacture
[illegible]

as well as with respect to
our Foreign Trade. The great
progress made in the Cotton
Manufactories of other Countries
has also been adduced in
support of this opinion. I
am afraid it must be ad-
: mitted that in the coarser
Cotton Goods we are undersold
by the United States, not only
in their own market, but in
those of the new Countries of
America; and that in Hardware
and Woollens, we scarcely
maintain our footing in some
foreign Markets in competition
with the Netherlands and
Germany.

In all Manufactures

this nature, it is difficult to
detect the commencement of
the Evil, and to trace the
connexion of cause and effect.
But if there be a probable
cause of danger, although
it may not make much way
in our time, it is our duty
to remove it. If the disease
be allowed to get to a certain
head, — it may be too late
to stop its progress. Capital is the
life Blood which animates
and sustains our whole
Population. If Capital be
ebbing, they who live by
labour will struggle hard to

stop the drain. After a certain point, they can only hope to do so by gradually descending from their present to a lower condition - from Bread to Potatoes. This is the course into which diminishing fertility, combined with diminished employment may drive the Labourer. But what must be the impoverishment of the Country, what the insecurity of Property, what the diminished value even of Land itself, should the great bulk of our rapidly increasing population be

Driven

driven to this lowest scale of human subsistence?

Assuming some trifling increase of food to be gained by prohibition, it would at best be temporary, and is not the sacrifice of it a cheap insurance against the risk of such consequences? Is it not clear that it is with the growth of our manufacturing and commercial wealth that rents have grown to what they are, and that it is only by sustaining this wealth that the productive powers and resources of the soil can be permanently

to fields?

It may be said, if Capital be withdrawn from Manufactures instead of going abroad it will seek employment in Agriculture. This may be true to a certain extent and for a short time especially if Legislative policy artificially stimulates the latter, whilst it depresses the former. But what would soon be the consequence? The first effect would be manufacturing Labourer without employment, and diminishes his means of consuming Agricultural produce, the second increases both the

quantity to be consumed, and the price at which it is sold.

This, I apprehend, is not exactly what is looked to by those who are always [illegible] Interest, without considering [illegible] not only prejudice the other, but also that which they are anxious to increase.

For the first sixty six years of the last century, be exported [illegible] That exportation he gave a [illegible]

Duluth

Duties bought our Corn, and that Bounty, by giving a premium to their Manufactures, operated as a discouragement to our own. From the year 1773 the Bounty was in fact discontinued. From that period till 1815, we became habitual importers of foreign Corn; and with exceptions, in point of time too short to be noticed, that importation was constantly free at a very low duty. I believe it would be difficult to find, in the history of any Country, two periods more contrasted by

the

the Stagnation of Agricultural
Improvement and the comparative
lively slow growth of
National Wealth during the
former, in which Rents scarcely
advanced at all, — and, during
the latter, by rapid and
unprecedented advances in
the value of Land, keeping
pace with all the other
improvements of the Country,
in Manufactures, Commerce,
and general Prosperity.

The [illegible] of Prohibition,
as far as it operates in the
way of Bounty to the active
[illegible] and Industry of

rival manufacturing States, is very much a counterpart of the system which we followed up to 1765. but with other objections which did not attach to our situation at that period.

Surely the experience of upwards of forty years, from 1773 to 1815, is enough to shew that Agriculture cannot flourish without a prohibition against the Corn of other Countries. On the other hand, the manufactures of Great Britain have suffered enough during the last ten years of prohibition, to

not necessarily produce prosperity.
That prices may be high with
the greatest foreign supply, and
enormously low without any
importation at all.

In seeking a Remedy,
therefore, for these evils, im-
mediate and contingent, our
first step must be to
establish a sympathy between
the prices of British and
Foreign grain, so that, either
in rising or falling Markets,
both should obey the same
impulse. However different
the range of Orbits in which
they move. To effect this

Col

we must substitute habitual
freedom of intercourse for
habitual prohibition.

By those who object
to any change in the present
law we are told to take
experience for our guide, -
to mistrust innovation, and
not to disregard the wisdom
of our ancestors. Will they,
who give us these admo-
nitions, point out any
Country, in any Age of the
World, in which the Com-
Trade was a prohibited
Traffick? So much for

Experience

Experience! Will they point out any year in the History of England, — any Book of Rates in the Records of Parliament, prior to 1815, in which Corn was not a rated, instead of a prohibited, Article? So much for innovation, and the Wisdom of our Ancestors!

But if Parliament adopted an entire new principle in 1815, it is material to inquire how it was applied to the circumstances of that day, and how it applies at present.

By the Law of 1815, Importation was altogether prohibited

prohibited corn to 80 Shillings -
above 80 Shillings it was altogether
free.

Now the average price
of Wheat for the seven years
which preceded that Enactment
had been 97 Shillings a quarter
and only during part of two
years of that period (1808 and
1814) had the price ever been
under 80 Shillings. It was
therefore contended in 1815,
that rents, and the price of
all commodities including
labour, had during these
seven years been accommodated
to a price of at least 80s. When
this price was fixed upon, as
the limit below which

importation should cease if
was nearly one fifth below
the average of the preceding
seven years and was consi-
quently considered as the
minimum at which, in the
then value of money, corn
could be produced. ✻

The average price
in [illegible] the last seven years,
instead of being 97s. 8d. has been
5l. — 8. — [illegible]
a proportion to the two
periods, each of seven years,
preceding 1815 and 1826, —
as 97 : 80 :: 5l. 8. : : 4l. —
If the late Regulation
[illegible] and arrangements as to

✻ Note. So much was this the principle, that it was at one time in the contemplation of the Corn Committee of 1814 to provide by Law that the price for which importation should thenceforward be regulated, should be declared at the end of every five or seven, preceding years according to the average of the immediately preceding period.

the Corn Law of 1815 was founded, and apply them to the data of the present time, [illegible] an Importation, would be the substitute in 1826, for the 80s. of 1815.

It may be inferred from this Statement that the Law of 1815 did not contemplate prohibition as our habitual State, but rather as the occasional exception to it, in periods of great abundance, and that it was supposed it would operate, thenceforward, in the same manner as former alterations of the Corn Laws, when the price below which

the

the high duty of 24s. 3d should attach had been advanced, — in 1773 to 24s. — in 1791 to 50s. — and in 1804 to 63, — all of which advances were with very short intervals of exception, a dead Letter, because the current price always exceeded the legislative limit. In 1815 it was to be inferred that such, in future years, would be the case at 80s. — but has this prohibition been a dead Letter!

This comparison, between 1815 and 1826, speaks volumes upon the question of continuing the present prohibition.

It is this change between 1815

1815 and 1825 accompanied
with the change from Restriction
to Cash payments, which makes
what in the former year was
a measure of comparative
indifference, no longer tenable
as the present time and
foregoing, if continued, with
the greatest evils. At the
former period the import price
was considerably below what
appeared the natural price, or
the cost of production; it is
now very much above it.

In consequence of this
change, which establishes prohi-
bition as our habitual state,
the system of quarterly average,
as applied to Bond Corn, is

become a dead Letter. Were it
otherwise, and likely to be called
into operation, from the strictly
scarcity raising the price to
near 80/, this system would
infallibly lead to the greatest
abuses, fraud and corruption. The
motive to resort to these improper
practices, of which we have seen
so much in the employment of
insignificant sparings of the
Ports for Corn, would be
increased in proportion as the
legal minimum were exceeded
the current price in other
Countries.

In stating this objection
against the present application

of

of the average system. I by
no means wish to get rid of
it altogether, or even to make
any alteration in the mode
in which Averages are taken.

Assuming the British
Corn Grower to be, in strict
justice, entitled to the protection
of a duty, equal to any special
burthens to which he is
exposed; — assuming that
he must forego this protection
as often as Scarcity raises
the price of Bread Corn above
a certain mark; — assuming
that for this occasional
sacrifice he is equitably
entitled, in years of extraordinary

abundance

Ordinance to have this protection
occasionally increased by such other
more
Compensation for special burthens
as ~~would~~ require. I see no way of
giving effect to these principles
without retaining the Yearly
Average Returns, as now made
and published by Law.

The way in which I
propose to apply these principles
and, at the same time, to
prevent any Abuse of the
Average, is this.

I would repeal all the
existing Enactments, except
those which relate to the
Averages. Instead of the present
Corn Laws, I would provide

that when the weekly average price of Wheat does not exceed 53s., there should be paid, upon the entry of any foreign Wheat or Flour for Home Consumption, a duty equal to 20s. a quarter; above 53s., and not exceeding 54s., a duty of 19s., and so on, the duty diminishing upon a decreasing scale of 1s. a quarter, in an inverse ratio to the price, up to 73s., at which price, and above, a duty of 1s. only should be payable; the duty to be determined weekly by the Average price published in the Friday's Gazette.

That there could be no

[illegible] fraudulent abuse

of the Averages, under such a

System must be obvious upon

a moment's reflection. The

trifling difference in the Average,

& shortness of duration, - the

[illegible] the

[illegible] combination,

with all contribute to remove

any adequate temptation to fraud, and

consequently prevent the risk of it.

So far as the Merchant

is concerned, I see no practical

inconvenience in this plan.

He is, in no case, compelled to

enter his Corn for duty when

&c

the imports it. It may then go into Warehouse, to be entered and taken out when the duty and the price suit his Speculation. Indeed the Merchant will be upon a footing infinitely more secure than at present, when the sudden opening of the Ports too often leads to excessive competition, to inordinate freights, and to all the evils of a lottery and gambling Speculation: instead of which the Importation would be conducted with all the precautions and economy of an equable and safe Trade.

&c.

The question then which remains is this. Is a fluctuating duty, beginning at 20s. at or under the prices of 55s., and ending at 75s. sufficient to protect the British Corn Grower against an excessive influx of foreign corn?

I know that it is difficult to reason with fear, or to overcome prejudice by facts; but facts and arguments are the only weapons that belong to fair discussion, and to them I must therefore confine myself.

I will not deny that, since the Trade in Corn has been in a state of [illegible] by the sudden want of demand

on

in those Ports from which we had for so many years taken a regular and increasing supply, has very greatly reduced the price. To adduce an instance or two of the cost of a Cargo of Wheat, bought under these circumstances and from parties forced to sell by extreme distress, is not a fair ground of comparison, any more than the price at which a few Bales of Calico have been lately purchased in England, in consequence of a Stagnation, not of years but of a few months only, is evidence of the price at which that article, in the ordinary state of trade, can be manufactured and sold

[illegible] would not be fair to refer to the prices, on the Continent, of the twenty years preceding 1815, as a fair Criterion of the cost of production in the Country from which we then imported Corn. The peculiar character of the late War, the state of the Currency, many other circumstances, contributed to raise those prices above their ordinary level. [illegible] for another purpose, to advert to that period. Notwithstanding the stimulus of such extraordinary prices on the Continent,

notwithstanding the absence of
all duty here, and the actual
grant of a Bounty on impor-
tation in 1800 and 1801, the
Annual Average quantity of
Wheat imported during those
twenty years is less than
560,000 quarters. Of the total
import amounting to 11,012,479
quarters, considerably more than
one third — 4,127,627 quarters —
was imported during three
years of Scarcity / the average
price of which three years
exceeded 112 Shillings /, leaving
an average quantity of only
424,901 quarters for the
remaining seventeen years.

although

although the average price of that whole period exceeded 7£ Shillings.

Discarding, however, the Continental prices between 1796 and 1815, we may safely, I think, take those of the twenty years commencing with the year 1770 and ending with 1789. There was nothing in the political World during that period to derange Commerce, and affect prices. It commenced too at the time when England was ceasing to be an exporting Country, and began to require only slight occasional importations. During the whole of these twenty years, the

imported only 2,827,923 quarters,
and be exported 2,163,915 qrs.
leaving a balance of no more
than 664,008 quarters, or about
33,000 quarters annually. In the
absence of all extraordinary
stimulus to production on the
Continent, and with England,
in some ages a competitor
in the foreign market, the
average price at Dantzic for
the twenty years in question,
was a small fraction under
3L Shillings a quarter. Now
there is no reason to suppose
that the cost of production on
the Continent can be less in
1826 than it was between
1770 and 1789. Certainly the

[illegible] bearing immediately upon the land, are not diminished in the Corn growing Countries of the North of Europe.

Let us then assume that 32 Shillings is now the price at which Wheat can, under the ordinary circumstances of Trade and Demand, be afforded in the Baltic, and that 500,000 quarters may be obtained at that price. Freight and Insurance may be estimated at 8 Shillings. Taxation, Cargo, Warehousing, and other Expenses at 2 Shillings. We have here 44 Shillings without any

duty, or any profit to the
importer, which last including
risk of damage and accidents
against which Insurance does
not provide, cannot be estimated
at less than 4. Shillings more.
Is it not manifest, if these
data be correct, that as soon
as the Corn Trade is restored
to its former State, and prices
on the Continent to their
ordinary level, no importation
worth taking into account
can take place with a duty
of 20. Shillings, — that it cannot
be to any amount like the
price reaches 60 Shillings —
and that it can scarcely be

expected

expected ever to exceed 300,000
quarters. At the price and
range of or above 65. Shillings
a Quarter.

We shall be Ridd of
Wheat from Odessa. It is
true that a great Store is
now accumulated at that Port,
and that the actual price there
is not more than 20. Shillings
a quarter. But the quality
is inferior, and the freight,
and risk of damage, for so long
a Voyage, would more than
[illegible] the difference of price
between the Black Sea and
Dantzic. At New York 30.
Shillings is reckoned a miserably

low

low price, and the freight would be an effectual Bar to any importation even at that time, unless the Markets were above 60. Shillings in this Country. The average import from the United States during the high prices of the War, unchecked by any Duty, and when that Country had no manufactures, was not, I think, under 100,000 quarters a year.

I see no reason to suppose (assuming that we retain our manufacturing and commercial Capital) that the Consumption of this Country will not go on increasing in, at least, the same proportion as for the last twenty years.

This increase [illegible] not only to Corn, but to Meat, [illegible] other production of the Soil, which cannot, like Corn, be easily, if at all, imported [illegible]

For just twenty years since we opened our Ports freely to the Corn of Ireland. The quantity which we draw from that Country is now very considerable, but it was not in fact of late years it has not increased in Wheat, indeed, the quantity has diminished, and it is thought likely to diminish still further, if prices continue moderate. [illegible]

reasons may be assigned for this, but the main one, perhaps, is that the Land Owners in Ireland find a greater advantage in restoring their rich Lands to Pasture, than in continuing them in Tillage. See the Evidence of Mr. Gabbett &c. before the Emigration Committee. The facility of sending their Cattle to the English Market by the Steam Vessels, and the great demand for Butter, are the principal causes of this change. In the last year the number of live Cattle sent to England was 63,519 — of Sheep 72,161 — of Pigs 65,919; and this year the number

is

is said to be greatly increased. How if Ireland, after providing for her own wants, cannot increase her supply of Corn to or can employ her land more profitably as Pasture, England, from whence are we to draw the means of providing for our increasing Consumption? And why, if we should receive from abroad in the next twenty years as much as we have received from Ireland in the last twenty, is the Agriculture of England to be injured by this latter assistance, more than it has been by the former? Let it be recollected that, in the year 1825, in addition to the supply from

Ireland

Ireland be admitted from abroad, under special Acts of Parliament, near 500,000 quarters of Wheat, and this year near 300,000 more.

After all, the really substantial difference between the measure now proposed, and the Corn Law as it stood up to 1815, is this — that under that Law, when the Average exceeded 63. Shillings, foreign Wheat was admissible at a nominal duty; and that, at that price, according to this supposition, the consumption will be checked by a duty of 12. Shillings. The scale which I have proposed, proceeds upon the assumption that when

price are ordinarily below
63 Shillings, the duty will
very much narrow the compe-
tition of the foreign Grower,
and that it will induce the
Importer to wait for better
markets: — on the other hand
by gradually diminishing as
price advances, it [illegible]
[illegible] [illegible]
[illegible] [illegible]
and be the best security against
[illegible] [illegible]
tations. When the Markets
fall below a certain price, the
Grower, I admit, will be
indemnified beyond his just

measure

measure of protection. This is no
more than an equitable compensa-
tion for the [illegible] he
must submit to of foregoing
that protection altogether,
when prices are too high.
The Trader in foreign Corn, on
his side, if driven from —
Competition with the Home
Grower when prices are —
low, will find in the reduction
of the duty when, and in
proportion as, prices advance,
his indemnity for the expense
of warehousing, and the outlay
of his Capital during the
intervals, when the high duty
virtually shuts him out of
the Market. Neither will it

be

be a slight advantage to him, or to the Country, that he will be able, at all times, to regulate his dealings according to his own discretion, exempt from any risk of arbitrary Interference with his Trade, and having nothing to apprehend from the uncertainty and abuse, to which the present system of averages and sudden transitions is liable.

With [illegible] Sum of Opinion after much reflexion, that what I have now suggested is the best system to which we can have recourse at this moment. [illegible] to amply that the Derangement [illegible]

which prohibited him in his new
with the Corn Trade may create
some difficulties, and that the
new system may, perhaps, not
work quite smoothly at the
outset of the change. These
difficulties, I trust, will not
be serious or durable, or such
as it may not be in our
power to remove if a necessity
should be found to exist.

I feel, as much as any
Member of the Government
that, for many reasons, it is a
misfortune to be forced to
agitate the question at all;
but it is a misfortune which
we must meet to avoid others
of greater moment. I must

add, at the same time, that, however
desirable it may be to avoid
the agitation of such a question,
it is idle to suppose that we
can, either now or at any time,
dispose of it, once for all, by
any permanent and immutable
law. I think that what I
have suggested involves a
principle of as much permanency
as any that can be brought
forward at this moment; but
we must recollect that, inde-
pendent of [illegible] Harvests
and other Inconveniences, [illegible]
will increase with Demand,—
that, if 500,000 quarters be a
sufficient importation now,

We

he may want 1,000,000 - ten or twenty years hence, and that the scale which may be applicable to a more limited may not be well adapted to a more extended demand.

I am also aware that, in the discussion of the question in Parliament, he shall have to encounter exaggerated apprehensions on the one side, and expectations, at least as exaggerated, on the other. It is between fears and hopes of this description that the feelings of the Country are now divided. They are excited to that degree, and the excitement is so likely to

increase

increase, that I am sure there can be no duty more urgent, at the Meeting after Christmas, than to take the earliest opportunity of bringing the subject calmly and dispassionately, but with the whole influence of Government, under the consideration of Parliament.

Eastham, 18th Oct. 1826. W. Huskisson

P.S. It is obvious that if the principle of an ascending and descending scale be established for Wheat, it may easily be adapted to the inferior Grains. But if a fixed duty on them be thought better, I should not see any great objection, Barley, perhaps excepted.

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Palgrave, Dictionary of Political Economy, II, pp. 345-6.
See also: Ency. of Soc. Sci. & Williams, Guide to ... English Social & Econ. Hist.

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